

WHAT YOU NEED TO KNOW ABOUT THE SPANISH RENEWABLE SECTOR'S FIRST AUCTION MECHANISM INTRODUCED IN 2021

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On 4 December 2020, Spain's Ministry for Ecological Transition and Demographic Challenge ("MITECO") approved a new order regulating the first auction mechanism for the economic regime for renewable energy and establishing the indicative calendar for renewables auctions during the period 2020-2025 (the "Auction Order"). The Auction Order entered into force and was published in the Official State Gazette ("BOE") the following day.

"The regulations represent a firm commitment to renewable energy as a mechanism for reducing greenhouse gas emissions and achieving climate neutrality."

The Auction Order develops the Royal Decree 960/2020, of 3 November 2020, which regulates the economic regime covering renewable energy for electricity production facilities ("Auction RD")¹, thereby establishing the necessary framework for announcing auctions to invest in the sector in line with the Economic Regime for Renewable Energy ("ERRE"). The Auction RD also establishes the parameters necessary for development and defines the product at auction for installed power, with reference to the definition established in article 3 of Royal Decree 413/2014, of 6 June 2014, which regulates the activity of electric power production from renewable energy sources, cogeneration and waste (the "RD 413/2014").

Likewise, the previously mentioned Auction Order includes an indicative calendar for ERRE auctions indicating the minimum volumes of accumulated power for each form of energy in the period 2020-2025. The auction calendar will be updated annually and aims to achieve the renewable production targets established in the National Integrated Energy and Climate Plan 2021-2030 ("PNIEC").

Additionally, on 10 December 2020, the Secretary of State for Energy ("SSE") approved the "Resolution dated 10 December 2020, calling the first auction for the granting of the ERRE under the provisions in Order TED / 1161/2020, of 4 December 2020" (the "Resolution of the SSE"), which was published on 12 December 2020 in the BOE, coming into effect the next day following its publication. This Resolution of the SSE approves the remaining aspects established in article 6 of the Auction Order, which includes the auction calendar, its detailed specifications and participation forms as well as the necessary framework for the holding of the auction and for the application of the ERRE.

The submission of documentation for the prequalification and qualification stages will begin on 15 December 2020, with the first auction being held on 26 January 2020. This article analyses the main elements of the approved Auction Order and some of the core aspects of the Resolution of the SSE.

PURPOSE AND SCOPE OF APPLICATION OF THE AUCTION ORDER

Purpose: The purpose of the Auction Order is to regulate the operation of any auctions to be convened under the Auction RD and establish which elements of the ERRE are applicable to the facilities awarded at said auction, as well as to set an indicative calendar for the allocation of the ERRE until 2025, including indicative deadlines and the frequency of auctions as well as the expected capacity and technology involved.

Scope of application: The Auction Order is applicable to facilities generating electricity from renewable energy sources included in category b) of article 2.1 of RD 413/2014, noting the following:

- The facility may use more than one source of renewable energy;
- The facility may be new, an extension or a modification of an existing facility. In this regard:
 - A **facility will be considered new** when its construction does not involve the closure of or output reduction at another facility in the same location and using the same technology;
 - It will be considered **an extension of an existing facility** when the new investment involves an increase in the power of said facility and does not entail the removal of generating equipment from the original facility;
 - It will be considered **a modification of an existing facility** when the new investment involves the replacement of generating equipment at the original facility, or in situations that cannot be considered as a new facility or as an extension of an existing facility. In the event of a modification of an existing facility, it will be essential to comply with the following requirements:
 - A minimum period of 15 years must have elapsed from the definitive date of registration of the existing facility in the Administrative Registry of Electrical Energy Production Facilities, until the date of the resolution of the SSE pursuant to which the auction is called; and
 - The modification must be considered significant in the terms provided in the resolution of the SSE.
- The facility must meet the following requirements: a) be the result of a new investment undertaken after the auction is held that gives rise to the right to receive the ERRE, for which the start date of its execution must be after the date of holding said auction and b) not have a storage system, or otherwise, that the storage system is used for the exclusive storage of the energy produced by the facility.

APPLICATION OF THE ERRE

Remuneration: The specific remuneration for each facility received under the ERRE will be obtained from its auction price, the remuneration parameters of the technology to which it corresponds, the characteristics of each facility and its participation in the energy market.

Remuneration parameters: The Auction Order establishes parameters governing the remuneration value for different technologies participating in the auctions. Thus, the Annex of the Auction Order includes the following remuneration parameters:

- Market adjustment percentage values of 25% for technologies whose production level can be managed² and 5% for those that cannot:

"The Auction Order establishes parameters governing the remuneration value for different technologies participating in the auctions."

Market adjustment rate			
Technologies	Subgroup defined in Article 2 of RD 413/2014, of 6 June	Facilities with management capacity	Facilities without management capacity
Photovoltaic	b.1.1	0,25	0,05
Solar thermoelectric	b.1.2	0,25	
Wind	b.2	0,25	0,05
Other renewable technologies	b.3	0,25	0,05
Hydroelectric plants (installed power less than or equal to 10 MW)	b.4	0,05	
Hydroelectric plants (installed power exceeding 10 MW)	b.5	0,05	
Biomass, Biogas or Bioliquids	b.6, b.7, b.8	0,25	

- Number of equivalent hours that facilities awarded at the auctions must operate for:

Technologies	Subgroup defined in Article 2 of Royal Decree 413/2014, of 6 June	Minimum number of equivalent hours of annual operation (hours)	Maximum number of equivalent hours of annual operation (hours)
Photovoltaic	b.1.1	1,500	2,300
Solar thermoelectric	b.1.2	3,000	4,000

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Technologies	Subgroup defined in Article 2 of Royal Decree 413/2014, of 6 June	Minimum number of equivalent hours of annual operation (hours)	Maximum number of equivalent hours of annual operation (hours)
Wind	b.2	2,200	3,500
Other renewable technologies	b.3	2,000	4,000
Hydroelectric plants (installed power less than or equal to 10 MW)	b.4	1,600	2,500
Hydroelectric plants (installed power exceeding 10 MW)	b.5	2,000	3,000
Biomass	b.6	6,000	8,000
Biogas/ Boliquids	b.7	6,000	8,000
Biomass	b.8	6,000	8,000

"A maximum price (price of reserve) may be set which may be kept confidential and a minimum price (risk price). Offers above the price of reserve and below the risk price (if any) will be rejected."

Auction mechanism: In accordance with the provisions set forth in the Auction RD, the auctions granting the ERRE will have the following characteristics:

Product to be auctioned	May refer to installed capacity, electrical energy or a combination of both. This will be defined in the MO. If the auctioned product is electrical energy, a minimum power to be built will be defined, based on equivalent hours.
Bid	Price per unit of electrical energy in EUR/MWh to two decimals.

Maximum and minimum price	A maximum price (<i>price of reserve</i>) may be set, which may be kept confidential, as well as a minimum price (<i>risk price</i>). Offers above the price of reserve and below the risk price (if any) will be rejected.
Pay-as-bid	The result of the auction will be the capacity or energy awarded to each participant and the price will correspond to their bid.
Assignment criteria	The offers will be ordered from the lowest to the highest bid value. The offers will be selected starting with the offer of lowest economic value until the quota of the auctioned product is reached (said quota will be established in the Resolution calling the auction), and any offers exceeding the quota will not be selected.
Minimum requirements	Without prejudice of the MO to be approved, to ensure effective competition, the volume of product offered by bidders must exceed the volume of product to be awarded in the auction by at least 20%. If necessary, the volumes awarded will be reduced to meet this threshold. The volume of product awarded to the same company or group of companies may not exceed 50% of the total volume of the product auctioned.
Managing entity	OMIE, the market operator
Supervising entity	CNMC, the Spanish Market and Antitrust Commission.

HOW DOES THE ERRE MECHANISM WORK?

The operation of the ERRE is based on the following basic concepts:

- **Auctioned energy:** This will be the energy sold by the facilities awarded at the auction, within the “maximum delivery period” which does not exceed the “maximum auctioned energy” but exceeds the “minimum auctioned energy”.
- **Minimum auctioned energy:** Minimum volume of energy to be reached by each facility under the ERRE within the maximum delivery period.
- **Maximum auctioned energy:** Maximum volume of auctioned energy that can be covered by the ERRE within the maximum delivery period.
- **Maximum delivery period:** Maximum and non-extendable time limit (in years) in which the facilities under the ERRE have the obligation to sell the minimum auctioned energy. Auction RD states that it will be enough time to convey a signal of certainty in regard to the income of the facilities, so as to facilitate the financing of new projects. The maximum delivery period will be between 10 and 15 years, and may be extended, exceptionally, up to 20 years in those cases where it is justified by technologies with a high initial investment or technological risk.
- **Price (auctioned price):** The price received by the facilities under the ERRE, for each unit of auctioned energy sold in the daily and intraday market, shall be the awarded price resulting from the auction (the bid made in EUR/MWh). The rest of the energy may be freely sold to the market at the market price.

The auctioned price will not be updated.

The price to be received for the ERRE as a result of the auction may be corrected, if so stipulated in the Auction Order regulating the procedure for symmetrical market share incentives. These incentives would make up the difference (positive or negative) between the market price and the auction price multiplied by a coefficient between 0 and 0.5.

Based on the mentioned concepts, from the start date of the maximum delivery period, the facility under ERRE will contribute to the market accounting for the energy sold as auctioned energy.

Once the facility has reached the maximum auctioned energy, or the maximum delivery period has expired, the ERRE will be automatically terminated.

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The owners of the facilities will participate freely in the daily and intraday market based on their best production forecast and at their opportunity cost. To participate in the different markets, each facility hosted by the ERRE must constitute itself as a supply unit. Successful ERRE bidders will not be able to sign physical bilateral contracts with other parties, only financial ones.

Settlement of the auctioned energy: The Market Operator will settle the difference, which may be negative or positive, between the daily and intraday market prices and the auctioned price, as follows:

- In case the market price is higher than the auctioned price, the surplus generated will be deemed revenue to be distributed by the Market Operator between national purchasing units in proportion to their final hourly programming as per the continuous market; and
- In the event that the market price is lower than the auctioned price, the surplus generated will entail a payment obligation, which will be distributed by the Market Operator as in the previous case.

ERRE exemption price: The price received for energy sold in periods in which the market price is equal to or less than zero shall be equal to the market price, and said energy shall not be counted as auctioned energy.

CALL AND AUCTION PARAMETERS

Product to be auctioned: Installed power, according to the definition established in article 3 of RD 413/2014. The resolution of the SSE may establish, for the same auction, several distinct products aimed at different technologies or categories distinguished by their specificities [size, location, etc.]

Quota of product to be auctioned: The resolution of the SSE will establish for each product the total volume to be auctioned. In turn, the resolution of the SSE may establish, for each product quota, minimum product reserves to be awarded to different technologies or categories distinguishable by their specificities.

Other aspects of the auctions: The resolution of the SSE will determine all other matters, such as (i) the date of the auction and its calendar; (ii) the quota of the product to be auctioned and, where appropriate, minimum reserves; (iii) the detailed specifications and forms to be completed to participate in the auction; (iv) the information and documents to include in the request to participate in the auction; (v) the deadline for availability of the facility; (vi) the date of expulsion from the ERRE; (vii) the maximum delivery time; (viii) the starting date of the maximum delivery period; (ix) the reserve price; (x) the risk price; (xi) the maximum size of an indivisible tranche offered; and (xii) the percentage of excess of the quota in the matching process.

FOR THE PURPOSE OF
PARTICIPATING IN THE
AUCTION, A GUARANTEE OF
EUR 60/KW, WILL NEED TO BE
OFFERED.

PROCEDURE AND DETAILED SPECIFICATIONS OF THE AUCTION

Auction mechanism: The auction mechanism will consist of the following processes: (i) the prequalification process; (ii) the qualification process; and (iii) the auction process, in which qualified participants may participate, according to the steps established therein.

Guarantee of competence: According to article 8.6 of the Auction RD, the volume of product offered must exceed by at least 20% the volume of product to be auctioned, for which it will act in accordance with what is established in the aforementioned Auction Order.

Characteristics of offers: The bidders may make offers with the following characteristics³: (i) a different offer may be submitted for each product, technology and category distinguishable by its specificities, as established in the resolution of the SSE; (ii) each offer may include up to a maximum of 100 tranches; (iii) the tranches may be defined as divisible or indivisible⁴; and (iv) each tranche will include the power offered in that tranche, expressed in 1 kW blocks, the price offered for the energy, expressed in EUR/ MWh to two decimal places, and an identifier related to the divisibility of the tranche.

Auction matching processes: Once the bid reception process is over, for each product included in the auction, the managing entity will carry out the matching process based on the steps described in article 10 of the Auction Order.

GUARANTEES

For the purpose of participating in the auction, a guarantee of EUR 60/kW, will need to be offered. Once the power has been awarded, another guarantee will be required for registration in the ERRE registry, with the same unit amount of EUR 60/kW for the installed power requested to register. The guarantee of EUR 60/kW for registration has three sections linked to three milestones: (i) EUR 12/kW, linked to the identification of the facility; (ii) EUR 18/kW, linked to the construction administrative authorisation ("AAC"); and (iii) EUR 30/kW, linked to registration in the ERRE Registry during operational status. These amounts may be modified in the resolution of the SSE.

"The auction mechanism will consist of the following processes: (i) the prequalification process; (ii) the qualification process; and (iii) the auction process, in which qualified participants may participate, according to the steps established therein."

The Auction Order covers both cancellation and execution in relation to each of the aforementioned milestones:

- **Identification of the facility:** If the difference between the power registered in pre-allocation and the identified power target is less than 5% of the power registered in pre-allocation, the partial cancellation of the guarantee linked to the identification of the facilities corresponding to the power registered in pre-allocation (€12/kW) will proceed, whereas if the deadline passes without an application for identification of the facility in the register being made, the guarantee will be executed for an amount of €60/kW corresponding to the power registered in the electronic register of the ERRE at the pre-allocation stage;
- **AAC:** If the milestone is met, the partial cancellation of the defined guarantee linked to the accreditation of the relevant facilities – for an amount of €18/kW – which corresponds to the power stated in the AAC or equivalent document, will proceed.

Under no circumstances shall the guarantee be cancelled for a value greater than that corresponding to the power registered in the pre-allocation stage. In the event that the difference between the power registered in the pre-allocation stage and the power accredited in accordance with the previous tranche is less than 5% of the power registered in the pre-allocation stage, with the limit of the power previously identified, the partial cancellation of the guarantee linked to the accreditation of the facilities corresponding to the power registered in the pre-allocation stage shall proceed. Otherwise, the partial execution shall be initiated *ex officio*; and

- **Registration in the ERRE register as operational:** If the requirements of article 27.1 of Auction RD are fulfilled (that the facility is totally built, has obtained definitive registration in the Administrative Registry of Electricity Production Facilities and has begun to sell energy on the market – OMIE certificate) before the deadline for availability of the facility, the partial cancellation of the guarantee will proceed for an amount of €30/kW, corresponding to the power registered as in operation, with the limit of the lowest power between that registered at the pre-allocation stage and that previously identified. If the requirements are met after the deadline for availability, but before the date of expulsion, the €30/kW tranche will be partially executed in accordance with the mechanism designed in article 16 of the Auction Order. The cancellation due to the failure to register in the ERRE at pre-allocation stage will mean the loss of the rights associated with the same and the execution of the guarantee – for an amount of €30/kW – corresponding to the power registered at pre-allocation stage which has not been registered as in operation.

In this sense, according to article 44 of RD 413/2014, it is possible that the General Directorate of Energy Policy and Mines may exempt the execution of a guarantee deposited by the owner of a facility, if the withdrawal of the construction of said facility is given by preventive circumstances that were neither directly nor indirectly attributable to the relevant party. However, based on the experience of the guarantees associated with the auctions held in 2016 and 2017, the MITECO's interpretation to apply such exception would be very restrictive.

PROCEDURES ASSOCIATED WITH THE ERRE REGISTRY

"The successful bidders will have two months from the publication of the resolution in the BOE pursuant to which the auction is resolved to submit the pre-allocation application for registration in the ERRE Registry."

Deadline to submit the application for registration in the ERRE Registry: The successful bidders will have two months from the publication of the resolution in the BOE pursuant to which the auction is resolved to submit the pre-allocation application for registration in the ERRE Registry.

Identification of the facility: In order to guarantee the viability and maturity of relevant projects, the holder of the registration in the ERRE Registry at pre-allocation stage will be obliged to identify, within a period of six months from the date of publication in the BOE of said registration resolution, the facility or facilities that will be built in relation to the power registered in said Registry. Once the identification request has been finalised, it may not be modified.

Accreditation of the construction administrative authorization: The successful bidders will have twelve months from the publication of the resolution in the BOE to register the facility in the ERRE Registry as in pre-allocation stage and to apply for accreditation by the AAC of the identified facilities.

Registration in the ERRE register as operational: The application for registration in the ERRE register as operational should be made prior to the end of the maximum period of one month from the relevant deadline, where applicable, the date of exclusion from the ERRE established in the resolution of the SSE. Regarding the return or execution of the guarantee, a mechanism is established linked to the moment the application for registration is made.

Summary-charts: Detailing the procedures and administrative milestones described above associated with the ERRE electronic registry, are included as Annex I of this article.

"The ERRE auction schedule establishes the following indicative schedule of power to be auctioned for each technology until 2025, which will be updated at least annually."

MEASURES TO PROMOTE COMPLIANCE WITH THE MINIMUM AUCTION ENERGY

The Auction Order develops the penalties listed in article 20 of Auction RD with the aim of providing incentives for complying with the obligations relating to the minimum auction energy acquired by the facilities receiving the ERRE:

- **Automatic penalty for non-compliance with intermediate milestones:** Certain intermediate control milestones are established every three years from the date of commencement of the maximum delivery period, so that, in principle, if the auction energy of the facility, calculated in the intermediate control milestones, does not exceed the minimum equivalent auction energy, the automatic penalties shall be applied;

• **Penalty for the cancellation of ERRE registration in the operational stage prior to the end of the maximum delivery period:** In such cases where the registration of the ERRE is in operational status and is cancelled prior to the end of the maximum delivery period, the fact that the auction energy of the facility does not exceed the minimum auction energy at the time of cancellation shall, in principle, be penalised; and

- **Penalty at the end of the maximum delivery period:** In the case that the auction energy of the facility does not exceed the minimum auction energy on the date of completion of the maximum delivery period.

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The Auction Order develops the penalties foreseen in article 20 of Auction RD aiming to provide incentives for compliance with the obligations relating to the minimum auction energy acquired by the facilities receiving the ERRE, with the following penalty regime being considered in its articles:

- (i) Automatic penalty for non-compliance with intermediate milestones;
- (ii) Penalty for the cancellation of registration of the ERRE in operation prior to the end of the maximum delivery period; and
- (iii) Penalty at the end of the maximum delivery period.

ERRE AUCTION SCHEDULE

Five-year schedule: The ERRE auction schedule establishes the following indicative schedule of power to be auctioned for each technology until 2025, which will be updated at least annually, by an order issued by the MITECO holder indicating the minimum volumes of accumulated power for each technology in the period 2020-2025, for which distinctive criteria may be established according to their characteristics⁵. It is also indicated that auctions will be called in 2020 for the allocation of ERRE for a minimum of 3,000 MW, of which at least 1,000 MW will be allocated to wind energy, 1,000 MW to photovoltaic energy, with the rest of the power being auctioned without technological restriction.

		Minimum power volumes (MW)					
		2020	2021	2022	2023	2024	2025
Wind	Increase	1,000	1,500	1,500	1,500	1,500	1,500
	Accumulated	1,000	2,500	4,000	5,500	7,000	8,500
Photovoltaic	Increase	1,000	1,800	1,800	1,800	1,800	1,800
	Accumulated	1,000	2,800	6,400	6,400	8,200	10,000
Solar thermoelectric	Increase		200		200		200
	Accumulated		200	200	400	400	600
Biomass	Increase		140		120		120
	Accumulated		140	140	260	260	380
Other technologies (biogas, hydraulic, tidal, etc.)	Increase		20		20		20
	Accumulated		20	20	40	40	60

MAIN ASPECTS SPECIFIED THROUGH THE RESOLUTION OF THE SSE FROM THE CALL OF THE FIRST AUCTION FOR THE GRANTING OF THE ERRE UNDER THE PROVISIONS OF THE AUCTION ORDER

According to the Auction Order, the Resolution of the SSE details the applicable rules of the first auction for the granting of the ERRE and determines, amongst others, the following aspects:

- The date of the auction is set for 26 January 2020 and a complete auction calendar has been provided. Please see Annex II of this article for this calendar information;
- Facilities for the generation of electricity from more than one renewable energy sources included in category b), as defined in Article 2.1 of RD 413/2014, which meet the following requirements, are eligible for receiving the ERRE: (i) new facilities or extensions of existing facilities; (ii) that are located within the mainland electricity system; (iii) that do not have a storage system or, otherwise, the storage system is used exclusively to store the energy produced by the facility;
- It approves the quota of product to be auctioned and the minimum reserves, which will be as follows: (i) a product quota of 3,000 MW of installed power is established, in accordance with the definition of article 3 of RD 413/2014, in force at the time of the closing date for the delivery of the documentation for qualification and pre-qualification; (ii) the percentage of excess quota in the matching process is set at 6%, so that the power eventually allocated may not exceed 3,180 MW; and (iii) two minimum product reserves are established, one of 1,000 MW for photovoltaic technology and the other of 1,000 MW for onshore wind technology;
- The maximum size of an indivisible tranche offered is set at 180 MW;
- The maximum volume of product awarded to the same company or business group may not exceed 50% of the total auctioned product;
- The Resolution also approves other fundamental aspects of the auction such as: (i) the deadline for availability of the installation; (ii) the date of expulsion from the ERRE; and (iii) the maximum delivery time and the starting date of the maximum delivery period. For more details, please see Annex III of this article;
- The Resolution of the SSE also approves other aspects of the auctions, such as the detailed specifications and forms to be completed to participate in the auction which are set out in Annex I of the Resolution of the SSE, detailing amongst other things, the information and documents to include in the request to participate in the auction;
- The reserve price for each technology is established, on a confidential basis, as a fixed value expressed in €/MWh to two decimal places and which will be delivered to the OMIE as Managing entity between 7:00 and 9:00 on the opening day of the bid reception period (January 26, 2020 at 09:00), while the risk price is established at 0.00€/MWh;
- According to Article 11 of the Auction Order, an obligation is established to submit, together with the application for registration of the ERRE at pre-allocation stage, a strategic plan with the estimates of impact on local employment and the industrial value chain, which will be made public on the website of the MITECO. This plan must include at least the following:

"In particular, auctions for the allocation of the ERRE will be held in 2020 for a minimum of 3,000 MW, with minimum volumes of capacity of 1,000 MW for wind technology and 1,000 MW for solar photovoltaic technology."

- General description of the investments to be made;
- Purchasing and contracting strategy;
- Estimate of direct and indirect employment created during the construction, commissioning and operating of the facilities, distinguishing between the local, regional or national level;
- Opportunities for the local, regional, national and community industrial value chain, including an analysis of the percentage represented by the economic value of the manufacturing of equipment, supplies, assemblies, transport and other services provided by companies located in these territorial areas, in relation to the total investment to be made;
- Strategy of circular economy in relation to the treatment of equipment at the end of its life; and
- Analysis of the carbon footprint during the life cycle of the facilities, including the manufacture and transportation of the main equipment used.

"The date of the first auction is set for 26 January 2020 and a complete auction calendar has been provided."

- Regarding the operational status, the final plan above mentioned must be submitted, together with the application for registration of the ERRE in operational status. This application must include the extent of compliance with the forecasts made in the plan that was submitted after the identification of the facility.

Therefore, the regulations discussed above represent a firm commitment to renewable energy as a mechanism for reducing greenhouse gas emissions and achieving climate neutrality, by approving the indicative timetable for the allocation of ERRE for the period 2020-2025, which includes indicative deadlines, expected capacity and planned technologies. In particular, the first auction for the allocation

of the ERRE has been convened for 26 January 2020 for a minimum of 3,000 MW, with minimum volumes of capacity of 1,000 MW for wind technology and 1,000 MW for solar photovoltaic technology.

ANNEX I

ANNEX II

ANNEX III

[1] In relation to the analysis of said regulation, we refer to our article on the Auction Royal Decree issued **here**.

[2] The facilities of subgroups b.1.1, b.2. and b.3. have management capacity when they have a storage system that allows for storing an amount of energy equal to or greater than that resulting from multiplying the power of the facility by 2 hours.

[3] Only one valid offer will be incorporated into the matching process for each participant, product, technology and category distinguishable by its specificities, as established in the resolution of the SSE. Participants may submit different versions of the offer, the last valid offer being the one included in the auction matching process.

[4] That tranche that has been identified as indivisible, when it cannot be awarded by all its power, may not be partially awarded and will be excluded from matching. For its part, that tranche that is divisible, when it cannot be awarded by all its power, may be partially awarded by a part of its power, the rest of the power of said tranche being excluded from matching.

[5] In order to comply with this schedule, auctions will be held at least annually. The level of support provided in each call will depend, among other factors, on the results of previous calls, on technological developments and their costs and on the availability of resources.

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